



SUSTAINABILITY AT MEGGLE

FACTSHEET 2024

Date of issue: April 2024

Our sustainability context

MEGGLE competes internationally in **complex value chains**. Societal expectations regarding ethical production principles, raw materials, environmental and social responsibility as well as business practices have become relevant success factors for our industry in recent years.

Our **sustainability challenges** comprise our complex carbon management including Scope 3 emissions in our dairy supply chain, animal welfare, conflicting goals between product sustainability and food affordability, the transition to renewable energies and economic risks due to workforce shortages. In addition, customer behavior is also changing towards more plant-based nutrition.

Our strategic approach

We at MEGGLE are committed to acting responsibly and managing our business with a positive, proactive, far-sighted, yet realistic and holistic attitude to the many ESG challenges that lie ahead. In this, our vision for social responsibility, stable, long-term and future-oriented business practices has not wavered since 1887.

Our **sustainability strategy** is a consequence of our philosophy. It is based on:

- achieving commercial success through sound business models
- sustainable investments (e.g. the transition from fossil fuels to a renewable energy consumption)
- taking on long-term responsibility for environmental, social and governance (ESG) issues throughout our value chain
- reliable collaboration, dialogue and joint efforts with our stakeholders.

Sustainability Management

Sustainability issues have become an integral part of operational management and strategic decision-making across all our sites, and continuous improvement of our sustainability management system is planned for the next years.



Focus on material topics

Based on our **materiality assessment**, which is updated regularly, we have broken down our sustainability strategy into the following **focus areas**:

- Our economic performance
- Quality and safety of our products
- Our employees
- Our supply chain
- Climate, energy and carbon emissions
- Water and waste water
- Waste and circular economy
- Governance

These focus areas are underpinned by **technological feasibility assessments** and sound **financial planning** for significant future investments. Within each focus area, we regularly identify potential to **mitigate our risks** and to **realize opportunities**.

Integrated management system

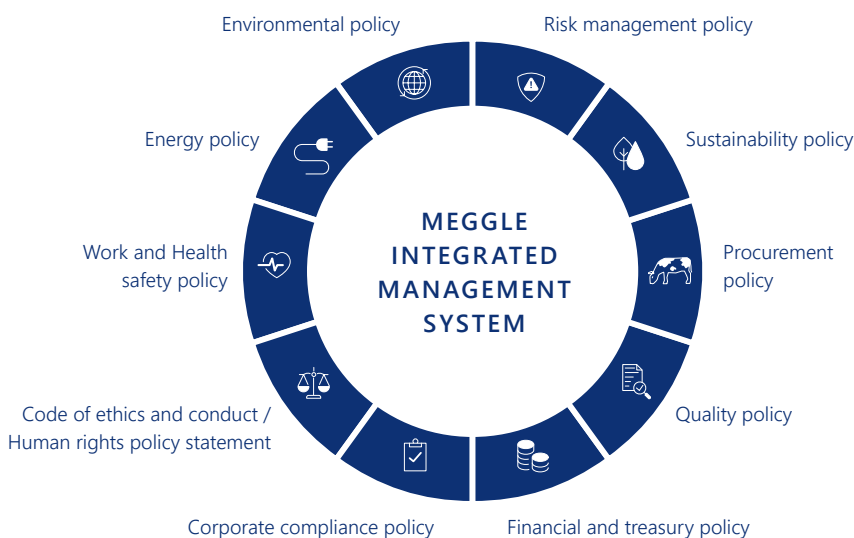
Our integrated Management System covers all material sustainability topics and is based on a large set of different internationally recognized **Management Standards** that guide our day-to-day activities and help us implement our topic-specific management policies. Some of the management

standards apply for all production sites, while others, such as ISO 9001, 14001, 45001 and 50001 are implemented at subsidiary level, depending on their materiality. (For the full list see page 12 of our sustainability report 2022/2023.)

Policies related to sustainability topics

The MEGGLE Group is built on strong values and clear standards of behaviour. Policies form an integral part of our management handbook, which is approved by the Senior Management. Verification is carried out through an internal audit

system, external audits and certifications. Sustainability is one of the pillars of **MEGGLE's corporate policy**, which forms the framework for our decisions and actions. Sustainability aspects are also integrated into the following policies:



Our Human rights policy statement, also including our Declaration of Principles can be downloaded from [our corporate website](#).

Responsibilities and stakeholder dialogue

Sustainability requires effective leadership and strong efforts. Recognizing the cross-sectional nature of sustainability management, we have organized defined **group-wide responsibilities**. To ensure efficient progress, we have established three main levels of responsibility for sustainability, reflecting the extensive fields of action and decision-making levels related to sustainability issues in the MEGGLE Group:

- Leadership and overall responsibility:
Board of Executive Directors of MEGGLE
- Responsibility for the sustainability management system:
Director Sustainability of the MEGGLE Group (COO)
- Coordination of sustainability management system:
Sustainability department
- Responsibility for sustainability in operations:
relevant departments at the local subsidiaries

The implementation of our Sustainability Strategy requires foresight and can only be achieved through reliable collaboration, dialogue and joint efforts with our stakeholders. The MEGGLE Group has a long tradition of ongoing dialogue with its **stakeholders**. Maintaining responsible and conscious interaction with our many internal and external stakeholders an integral part of our business management process. We are also committed to stakeholder dialogue as a strategic means of identifying and assessing risks and opportunities at an early stage. For more information, including the key topics of our stakeholders, see page 32 ff. of our sustainability report 2022/2023.

Strategic sustainability goals

For all of our eight sustainability focus areas we have identified strategic action fields.

The main group-wide sustainability goals include:

Energy & Climate

- Reduction of our scope 1 + 2 carbon emissions by 25% by 2032 compared to 2022 (base year)
- Investment in reduction of external electricity supply
- Gradual transition from fossil fuels to a renewable energy consumption (e.g. hydrogen technology)
- Energy-saving projects

Water

- Reducing water through reuse and recycling
- Investment in a new expanded wastewater treatment plant

Waste

- Keeping food waste at the achieved level of 0.9% (in relation to total product output)
- Keeping the ratio of waste diverted from disposal at ~ 70%
- Contributing to the minimization of food and packaging waste in the downstream value chain

Supply chain

- Working with our suppliers and other stakeholders
 - to achieve regionally appropriate carbon reduction targets for our dairy-based raw materials and to develop
 - to reduce biodiversity loss and deforestation
 - to implement locally appropriate animal welfare transition programmes
- Progressively refining our Scope 3 emissions database from literature-based values to representative primary data from our suppliers

Employees

- Promoting our employees regardless of their age, gender or ethnicity with a commitment to eliminating any form of discrimination
- Offering flexible, employee-specific job designs and working conditions
- Enabling more women to be promoted, including by making it easier to reconcile work and family life
- Developing the professional and personal qualifications, skills and performance of our people through a wide range of learning programmes.

Our main improvements 2023:

- Implementation of Group-wide sustainability responsibilities
- Successful roll-out of our updated MEGGLE Sustainability Strategy
- Timely and proactive start of preparation for all new regulatory requirements (e.g. CSRD, EU Taxonomy)
- Implementation of the German Supply Chain Due Diligence Act in all German companies (including Risk analysis, Prevention measures, and Complaint mechanism)
- Update of MEGGLE sustainability risk analysis and mitigation strategy
- Update of sustainability targets and action fields for goal achievement
- Further enforcement of sustainability investment planning
- Increased transparency: Roll-out of GRI reporting to all production sites

Ratings – EcoVadis



MEGGLE Cheese GmbH



MEGGLE Bakery GmbH



MEGGLE GmbH & Co KG

Further Information

- More detailed information on MEGGLE's sustainability approach, values and action fields can be found in our [sustainability report 2022/2023](#).
- For a number of material sustainability topics we have compiled **topic related factsheets**. If you are interested in such a factsheet or have additional questions regarding our sustainability approach, please contact our central **sustainability department** at sustainability@meggler.com. Furthermore, our whistleblowing system provides the opportunity to submit **feedback anonymously**.

Please don't hesitate to contact us or start-up a direct stakeholder dialogue.

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